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EXTRAORDINARY

PART I—Section 1

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MINISTRY OF COMMERCE AND INDUSTRY.

PUBLIC NOTICE.

IMPORT TRADE CONTROL.

New Delhi, the 24th December, 1962.

SUBJECT.—*Changes in the import policy for the second half year October, 1962—March, 1963, of the licensing period—April 1962—March 1963.*

No. 167-ITC(PN)/62.—The attention of importers is invited to the Import Policy for licensing to Established Importers, Actual Users etc., as announced in the Red Book for the year April 1962—March 1963.

2. In Para 15 of Section I of the Red Book for the year April 1962—March 1963, it was provided that all applicants whether Established Importers, Actual Users or others should submit their applications for import licences on an annual basis to cover their yearly estitlement/requitement. A provision was made for the grant of licences on an annual basis to the extent possible, subject to foreign exchange availability, to Established Importers and to Actual Users in the Scheduled and non-scheduled sectors for meeting the essential requirements. The scope of annual licensing was indicated in the Ministry of Commerce and Industry Public Notice No. 40-ITC(PN)/62, dated the 17th April, 1962. According to the conditions imposed on the annual licence, the licensee was entitled to order shipment of goods and make remittance to the extent of 50% of the value of the licence during the first six months of the validity period of the annual licence. In the next half year i.e., after the 30th September, 1962, the annual licence was to be presented to the licensing authority concerned for endorsement for validation of the second half of the licence, subject to such change in value as may be decided upon by the Government. In cases, where licensing was not to be done on an annual basis, licences against applications made on yearly basis were to be issued in two instalments. Licences covering the first half yearly entitlement were to be issued as the first instalment and supplementary licences covering the next half yearly entitlement were to be issued, subject to such cuts as may be decided upon by the Government in the next half year i.e., October, 1962—March, 1963.

3. With the depletion of the country's sterling balances, the foreign exchange position had become very difficult. In order to check a further deterioration, it was decided *vide* the Ministry of Commerce and Industry Public Notice No. 65-ITC(PN)/62, dated the 8th June, 1962, to impose a cut of 50% in the licences granted to Established Importers whether on an annual basis or in two half yearly instalments and in the licences issued to Consumers' Cooperative Societies for the

period April 1962—March 1963. A cut was also applied in the licensing of the requirements of Actual Users both in the Scheduled and non-scheduled sectors for imports from "free" resources. The extent of the cut applicable to the A.U. licences was to be decided in each case on merits, subject to the availability of foreign exchange. On a subsequent review of the position, the 50% cut in the licensing to Established Importers of certain items such as Carbons, Ivory un-manufactured, Wattle extract, Wattle bark, Bark for tanning excluding wattle bark, Cinematograph Films, not exposed, Hides and skins, Raw or Salted, Books and X-Ray films was partially or fully restored.

4. The shortage of foreign exchange persists. Indeed, in the present emergency, further cuts have to be made in the allocations for commercial imports for the half year October, 1962—March, 1963. On a review of the position, therefore, it has been decided to apply further cuts in the imports to be permitted for the half year October, 1962—March, 1963, as indicated below:—

Established Importers

Supplementary licences for the half year October, 1962—March, 1963, will not be granted to Established Importers, except in the case of items indicated in Annexure I to this Public Notice. The extent of cut applicable to the 2nd half yearly entitlement calculated in terms of the policy announced in the current Red Book is mentioned against each item. The supplementary licences issued to Established Importers covering the 2nd half yearly entitlement, will be subject to the conditions/restrictions given in the remarks against the item in the current Red Book, except where otherwise provided in Annexure I to this Public Notice.

The second half of the licences granted for imports from free resources to Established Importers on an annual basis, will not be validated, except in the case of items specified in Annexure II to this Public Notice. The extent of the cut applicable to the second half of the annual licences is indicated against each item. The second half of the annual licences will be subject to the conditions/restrictions given in the remarks against the item in the current Red Book. The items for which Annual licences to Established Importers have been issued for imports from U.S.A. under Aid will not be affected by this.

Consumers' Cooperative Societies

The supplementary licences issued to the Consumers' Cooperative Societies for the half year October, 1962—March 1963, will be subject to a cut of 50 per cent in their entitlement calculated in terms of the provisions contained in Appendix 41 of the current Red Book as already announced in the Ministry of Commerce and Industry Public Notice No. 65-ITC(PN)/62, dated the 8th June, 1962.

Actual Users

The 2nd half of the annual licences granted to Actual Users for the import of Raw Materials and component* from "free" resources for the period April 1962—March 1963, will also be subject to a cut. The extent of the cut will be decided in each case on merits, subject to the availability of foreign exchange and keeping in view the priority of the requirement in the present emergency. Similarly, the supplementary licences where granted to Actual Users for the second half year i.e., October, 1962—March, 1963, will also be subject to a cut which will be decided on merits in each case.

Submission of Annual Licences for Endorsement for Validation of the 2nd half of the Licence

5. Established Importers who have been granted annual licences for imports from "free" resources for items specified in Annexure II to this Public Notice should present the licence for necessary endorsement for validation of the 2nd half of the licence to the licensing authority who had issued the licence. The annual licences granted to Established Importers for items other than those specified in Annexure II to this Public Notice will not be validated to permit utilisation of the 2nd half and such annual licences should not be presented to the licensing authority for endorsement.

The Actual Users who have been granted annual licences for the period April 1962—March 1963, should also submit the licences for validation of the second half of the licence to the licensing authority who had issued the licence.

It should be noted that Scheduled Industries borne on the registers of the Department of Technical Development should submit the annual licences for endorsement *direct* to the Chief Controller of Imports & Exports, New Delhi, and not through the Department of Technical Development (Coordination).

The holders of annual licences may send the licences for endorsement to the licensing authority on any day from the date of this Public Notice, upto the 31st March, 1963. The licensee should send both the "Customs purposes" and "Exchange Control purposes" copies of the licence together when readily available, and should not send one copy stating that the other copy is in use and will be sent later, as the submission of two copies separately may lead to delay in connecting papers in the office of the licensing authority.

The licensing authorities while endorsing the annual licences for validation of the second half of the licence will also extend the validity period of the licence for a further period of six months for utilisation only of the second half of the value of the annual licence.

Grant of Supplementary Licences for 2nd half year Entitlement/Requirement

6. Established Importers, Actual Users and Consumers' Cooperative Societies who have already been granted licences for the 1st half year as the 1st instalment against the applications made on yearly basis for April 1962—March 1963, are not required to submit any fresh applications. Supplementary licences covering the 2nd half year's entitlement/requirement, wherever admissible, will automatically be issued by the licensing authorities.

Additional Items for Canalsation of Imports through an Agency approved by Government

7. (i) *Tin block and tin scrap (S. No. 45(a)/I).*—It has come to the notice of Government that non-scheduled Actual Users including the Small Scale Industries have been experiencing difficulty in procuring their requirements of Tin block and tin scrap [S. No. 45(a)/I] from Established Importers. Import of Tin will be canalised through an agency approved by Government and imported tin will be distributed to non-scheduled Actual Users including the Small Scale Industries against allocations made by the State Directors of Industries.

(ii) *Ball, Roller and Taper Bearings and component parts thereof (S. No. 19/II).*—This is another essential item where the goods imported by Established Importers are being sold at high profit margins. It has, therefore, been decided to canalise the import of this item through an agency approved by Government, to facilitate the availability of Ball, Roller and Taper Bearings and component parts thereof to consumers at reasonable prices.

Price Stability

8. Cuts in the import policy for the half year October, 1962—March, 1963, have been necessitated due to foreign exchange shortage. Despite the cut in imports, it is the duty of every Established Importer and Dealer to keep the selling prices of imported articles at a reasonable level, especially in the present emergency. The need for the stabilization of prices cannot be over-emphasized. Established Importers are warned that Government will take suitable measures, if a reasonable price line is not maintained.

Drugs and Medicines

9. Under the Drugs (Display of Prices) Order, 1962, issued under sub-rule (2) of Rule 125 of Defence of India Rules, 1962, it has been provided that every manufacturer/importer or distributor of any drug intended for sale shall supply to every dealer buying such drug from him, price lists showing the wholesale and retail prices beyond which such drug shall not be sold.

The attention of the Established Importers of Drugs and Medicines is invited to the above provision for compliance. They are also requested to take steps to maintain the prices of Drugs and Medicines at a reasonable level, in line with the general policy of Government to stabilise prices.

There has been an unavoidable hold-up in the announcement of the import policy for this item for the current half year. Steps will, however, be taken to ensure that the import policy for Drugs and Medicines for the next licensing period is announced without delay.

ANNEXURE I TO THE MINISTRY OF COMMERCE AND INDUSTRY
PUBLIC NOTICE No. 167-ITC(PN)/62 DATED THE 24TH DECEMBER, 1962

List of Items for which Supplementary Quota Licences will be issued for the Second half year October, 1962—March, 1963 of the Licensing period April 1962—March 1963 subject to the cut indicated against each item.

| Part and S. No. of I. T. C. Schedule | Description | Import policy as announced in the Red Book for April '62- March '63 | Percentage of cut which will be applied to the quota entitlement for Oct' 62- March '63 calculated on the basis of percentage as announced in the Red Book for April 1962- March 1963 | Remarks |
|---|--|---|--|---|
| 1 | 2 | 3 | 4 | 5 |
| 17(a)(i)/II | Cadmium, cobalt, manganese, magnesium, bismuth, etc. | 90% | 50% | |
| 46(b)/II | Carbons | 25% | No cut will be applied. | |
| 46-A(c)/II | • Hearing aid batteries | 100% | 50% | |
| 1(a)/III | • Hydrosulphite of Soda, Rangolite C (Sodium Sulphoxylate Formaldeh- yde) or Formosul L and Sodium Nitrite | 7½% | 50% | |
| 1(c)(i)/III | • Cation Active finishing agents, Synthetic Resin finishing agents | 10% | 50% | |
| 1(c)(ii)/III | • Optical whitening agents | 2½% | 50% | |
| 1(a)(iii)/III | • Textile preservative (ex- cluding phenol cresol but including their sub- stituted products). | 5% | 50% | |
| 1(c)(iv)/III | • Delustering agents other than titanium oxide . . | 50% | 50% | |
| 1(d)(ii)/III | • Industrial Enzymes . . | 7½% | 50% | |
| 1(d)(iv)/III | • Synthetic bleaching agents (other than bleaching powder or hypochlorites, hydrogen peroxide etc.) | 5% | 50% | |
| 1(d)(v)/III | • Dyeing and printing agents excluding synthetic resins in any form, etc. | 7½% | 50% | |
| 1(d)(vi)/III | • Sodium Aliginate . . . | 2½% | 50% | |
| 1(f)/III | • Carboxy methyl cellulose and its salts. | 2½% | 50% | |
| 5(1)(c)(ii)/III | • Brass reeds | 25% | 50% | |
| 5(1)(k)/III | • Card clothing and card accessories. | 40% | 50% | Supplementary quota licences will be issued subject to the con- dition that 50% of the face value of the licences will be utilised for import of woollen card cloth- ing. |
| 5(1)(r)/III | • Heald cord and heald knit- ting needles, jacquard machines, etc. | 50% | 50% | |

| 1 | 2 | 3 | 4 | 5 |
|---------------------------|--|--------------------------------------|---------------------------------------|--|
| 5(1)(w)/III 43/IV | Others . . . Wattle extract . . . | 25 % 90 % | 50 % No cut will be applied. | |
| 44/IV | Wattle bark . . . | 90 % | No cut will be applied. | |
| 45/IV | Bark for tanning excluding wattle bark. | 90 % | No cut will be applied. | |
| 87, 109/IV | Drugs and medicines | 20 % (Consoli- dated quota) | 50 % | |
| LIST III (Appendix 19) | Anti-leprosy drugs . . . | 10 % | 50 % | |
| | Chloro quine salts | 15 % | 50 % | |
| | Carbarsone . . . | 10 % | 50 % | |
| | Crude drugs for Ayurvedic and Unani medicines | 75 % | 50 % | |
| | Caffeine and its salts . . . | 20 % | 50 % | |
| | Anhydrous Dextrose exclu- ding preparations | 25 % | 50 % | |
| | Homoeopathic medicines . . . | 200 % | 50 % | |
| | Isonicotinic acid hydrazide | 20 % | 50 % | |
| | Medicinal contraceptives namely foam tablets | 20 % | 50 % | |
| | Para Amino Salicylic Acid, Sodium Para Amino Salicy- late and Calcium Amino Salicylate excluding pre- parations thereof. | 25 % | 50 % | |
| | Sera, Vaccines, Toxins, Anti-toxin excluding Cholera Vaccine, T.A.B., Vaccines, etc. | 40 % | 50 % | |
| | Sulphadiazine, Sulphathia- zole and Sulphadimidine excluding [] preparations thereof. [] [] [] | 50 % | 50 % | |
| 116/IV | Cinematograph films, not exposed. | 33 1/3 % | 25 % | |
| 144/IV | Hides and skins, raw or salted. | 100 % | No cut will be applied. | |
| 169/IV | Standard technical books or books of reference con- cerning law and legal pra- ctice, or for use in con- nection with medical pra- ctice, scientific research or industrial processes. | 100 % | 25 % | Remark (1) given again- st these Serial Nos. in Section II of the red Book for the year April 1962—March 1963 has been amen- ded as under :— |
| 170/IV | Books, printed, including covers for printed books, maps, charts and plans, proofs, music manuscripts etc. | | | “Quota licences will be issued subject to the condition that [] not more than 40 % of the face value can be utilised for the import of [fiction and permis- sible non-technical journals and magazines, provided that not more than 20,000 copies of a single magazine shall be allowed to be |

| 1 | 2 | 3 | 4 | 5 |
|---|--|--|-------------------------------|--|
| | | | | Imported against each quota licence. Within the balance 60% of the face value of licences, it will be permissible to import <i>inter alia</i> childrens' books but in this 60%, the import of comics will not be allowed." |
| 293, 295 & 297/IV <i>List III</i> (Appendix 26) | Motor vehicle parts . . . | 15% | 50% | |
| | Brake lining in any form . . . | 12½% + additional licences. | 75% | |
| | Clutch facing in any form . . . | 20% + addi- tional licences. | 50% | |
| | Cylinder liners . . . | 50% | 50% | |
| | Electric horns . . . | 10% | 75% | |
| | Filter/cleaner assembly, Air fuel or lubricating oil. | 25% | 50% | |
| | Fuel injection equipment and component parts thereof. | 45% | 50% | |
| | Gaskets | 7½% 12½% | 50% | |
| | Piston rings | +addi- tional licences. | 50% | |
| | Piston assemblies . . . | 66·2/3% | 50% | |
| | Radiator Assembly . . . | 20% | 75% | |
| | Shock absorbers . . . | 30% | 75% | |
| | Spark plugs | 10% | 50% | |
| | Thin walled bearings . . . | 25% | 50% | |
| | Inlet and exhaust poppet, valves, etc. | 25% | 50% | |
| 302/IV | . . . X-Ray Films | 75% | No cut will be applied. | |
| 303/IV | . . . Photographic negatives and printing paper excluding X-Ray films. | 15% | 50% | |
| 337/IV | . . . Empty Gelatine Capsules . . . | 66·2/3% | 50% | |
| 6/V | . . . Dyeing and tanning sub- stances, all sorts, not other- wise specified, excluding wattle extracts and the articles specified in S. No. 5 of this Part of this Sched- ule. | 90% | 50% | |
| 17(b)/V | . . . Liquid paraffin. | 15% | 50% | |
| 22,31/V (Append- dix 28) | . . . Acid citric | 15% | 50% | |
| <i>List II</i> | . . . Ammonium Phosphate (Mono and Di). | 25% | 80% | |
| | . . . Borax | 25% | 60% | |

| 1 | 2 | 3 | 4 | 5 |
|-------------------------------|---|----------------------------|-----|---|
| Appendix 28 List II—contd. | | | | |
| | Dichlorodifluoromethane gas and its modified products used for refrigeration and air-conditioning purposes. | 100% | 50% | |
| | Laboratory and reagent chemicals except those specified in List III. | 50% | 50% | |
| | Magnesium Trisilicate . | 50% | 70% | |
| | Nickel Formate . . . | 100% | 50% | |
| | Oxalic acid | 20% | 50% | |
| | Potassium carbonate . | 50% | 50% | |
| | Potassium Cyanide, Sodium cyanide and double cyanides of Potassium and Sodium. | 50% | 50% | |
| | Refills for fire extinguishers | 50% | 50% | |
| | Rubber chemicals, the following : Accelerators, antioxidants, dispersing and bonding agents, retarders, stabilizers and peptizers. | 100% | 80% | |
| | Trichlorethylene . . | 50% | 50% | |
| 1(i)(b)/V . . | Rubber contraceptives . | 100% | 50% | |
| 67(1)(i)/V . . | Printing and Lithographic material, namely presses, lithographic plates, composing sticks, etc. | 12½% | 50% | |
| 67(2)/V . . . | Component parts as defined in Import Tariff Item No. 72(3) of Machinery specified in clause (i) above, excluding those covered by Serial No. 68 of Part V of this Schedule. | 75% + additional licences. | 50% | |
| 78(i)/V . . . | Hearing aids and parts thereof. | 100% | 50% | |
| 79/V | Electro-medical apparatus including ultra-violet and infra-red lamps for medical treatment. | 30% | 50% | |
| 93-94(a)(iv)/V . | Rough blanks other than bifocal blanks. | 33½% | 50% | |
| 93-94(c)/V . . | Other optical instruments, apparatus and appliances, etc. | 10% | 50% | |
| 93-94(d)/V . . | Scientific and surgical instruments made of rubber and or made of glass including Scientific glassware. | 10% | 50% | |
| 93-94(e)/V . . | Surgical instruments, apparatus and appliances, not made mainly of rubber and also not made mainly of glass. | 35% | 50% | |

| 1 | 2 | 3 | 4 | 5 |
|--------------|---|------|-----|---|
| 93-94(f)/V . | Scientific instruments, apparatus and appliances not made mainly of rubber and also not made mainly of glass. | 30% | 50% | - |
| /V | Microscopes and accessories. Microscope slides and cover glasses. Brinell's microscopes. | 7½ | 50% | } <p data-bbox="879 578 1121 1569">Quota licences for the 2nd half year will not be issued from "free" resources. But the licences will instead be granted for import of Machine Tools from U.S.A. under US-Aid Loan No. 217, subject to the terms and conditions specified in the Ministry of C&I Public Notice No. 74-ITC(PN)/62, dated 26-6-1962 as amended by Ministry of Commerce & Industry Public Notice No. 158-ITC (PN)/62, dated 5-11-1962. The minimum value of licence in each individual case will be Rs. 1,000/-. The licences will be further subjected to the conditions/restrictions mentioned in Appendix 11 to the current Red Book. The intending importers may communicate their willingness to import this item from U.S.A., under US-Aid Loan No. 217 to the licensing authority concerned.</p> <p data-bbox="879 1426 1121 1569">Established Importers who have already submitted annual applications need not make any fresh application for import licence.</p> |
| 93-94(h)/V | Laboratory balances and weights. | 15% | 50% | |
| 3-94 i)/V . | Dental surgical instruments, apparatus and appliances, not otherwise specified. | 120% | 50% | |
| Part-VI . | Machine Tools. | 20% | 50% | |

NOTE:—The supplementary/additional licences, wherever allowed to Established Importers for the above items in terms of the provisions made in the current Red Book will also be subjected to the cut specified in column 4 above.

ANNEXURE II TO THE MINISTRY OF COMMERCE AND INDUSTRY PUBLIC
NOTICE No. 167-ITC(PN) 62 DATED THE 24TH DECEMBER, 1962.

List of items for which licences issued on annual basis will be endorsed for validation of the second half of the annual licence subject to the cut indicated against each item.

| Part and S. No. of I.T.C. Schedule | Description | Per- centage of cut to be be app- plied in the value covered by the second half of the annual licences. |
|--|--|--|
| 1 | 2 | 3 |
| 36(5)/II . . . | Component parts as defined in Import Tariff Item No. 72(3) of machinery specified in clauses (1), (2), (3) and (4) above excluding those covered by Serial No. 68 of Part V of this Schedule. | 50% |
| 37(2)/II . . . | Component parts as defined in Import Tariff Item No. 72(3) of machinery specified in clause (1) above, excluding those covered by S.No. 68 of Part V of this Schedule. | 50% |
| 4(5)/III. . . | Component parts, excluding hosiery needles as defined in item No. 72(3) of the First Schedule to the Indian Tariff Act, 1934, of machinery specified in clauses (1), (2), (3) and (4) above but excluding those covered by Serial No. 68 of Part V of this Schedule. | 50% |
| 5(2)/III . . . | Component parts as defined in Import Tariff Item No. 72(3) of machinery specified in clause (1) above, excluding those covered by Serial No. 68 of Part V of this Schedule. | 50% |
| 6(b)/III . . . | Knitting machines etc.—Component parts. | 50% |

K. T. SATARAWALA,

Chief Controller of Imports & Exports.

(Issued from file No. I.P.C. (Gen. 39)/62)

